



General Assembly

## ***Amendment***

***January Session, 2015***

**LCO No. 8288**



Offered by:  
SEN. KANE, 32<sup>nd</sup> Dist.

To: Subst. Senate Bill No. 1130

File No. 781

Cal. No. 458

***"AN ACT IMPLEMENTING A TAX ON CONTROLLED  
SUBSTANCES AND FUNDING REGIONAL OPIOID ABUSE  
PREVENTION AND TREATMENT PROGRAMS."***

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Section 12-651 of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective October 1, 2015*):

5 (a) A tax is imposed on any marijuana or controlled substances  
6 purchased, acquired, transported or imported into the state. Payment  
7 thereof shall be evidenced by the permanent affixing of stamps on the  
8 marijuana or controlled substance immediately after receipt. Each  
9 stamp or other official indicia may be used only once.

10 (b) The tax imposed pursuant to this section shall be at the following  
11 rates: (1) On each gram of marijuana or portion of a gram, three dollars  
12 and fifty cents, and (2) on each gram of a controlled substance, or  
13 portion of a gram, two hundred dollars or on each fifty dosage units of

14 a controlled substance that is not sold by weight, or portion thereof,  
15 two thousand dollars. For the purpose of calculating the tax due under  
16 this section, an ounce of marijuana or other controlled substance is  
17 measured by the weight of the substance in the dealer's possession.

18 (c) Any tax imposed pursuant to this section is due and payable  
19 immediately upon acquisition or possession in this state by a dealer.

20 (d) Notwithstanding the provisions of this chapter, the tax collector  
21 of any municipality having a population of less than seventy-five  
22 thousand may collect the tax imposed pursuant to this section on any  
23 marijuana or controlled substance that is seized in such municipality  
24 by a law enforcement officer as a result of a lawful arrest of a dealer or  
25 a lawful search of the real or personal property of a dealer, provided  
26 (1) such tax is due and payable, (2) the chief of police of such  
27 municipality, or if such municipality does not have an organized  
28 police department, the chief elected official of such municipality,  
29 notifies the commissioner of such municipality's intent to collect such  
30 tax, and (3) the municipality complies with the provisions of  
31 subsection (e) of this section. The full amount of any tax collected  
32 pursuant to this subsection may be retained by such municipality.

33 (e) Before the municipal tax collector may collect any tax imposed  
34 pursuant to this section, the chief elected official of the municipality  
35 shall appoint one or more hearing officers, other than police officers or  
36 persons who work in the police department, to hear the petitions of  
37 aggrieved taxpayers and shall establish by ordinance a hearing  
38 procedure following the timelines and requirements set forth in section  
39 12-553. The provisions of sections 12-533 and 12-554, adapted  
40 accordingly, shall apply to hearings before and appeals from a  
41 municipality under this section, except that venue for any appeal shall  
42 be in the judicial district in which such municipality is located.

43 Sec. 502. Section 12-655 of the general statutes is repealed and the  
44 following is substituted in lieu thereof (*Effective October 1, 2015*):

45 (a) Each dealer shall keep complete and accurate records of all  
46 marijuana or controlled substances on which a tax is imposed. Such  
47 records shall be a kind and in such form as the commissioner may  
48 prescribe and shall be preserved for three years in such manner as to  
49 insure permanency and accessibility for inspection by the  
50 commissioner or [his] the commissioner's authorized agents. The  
51 commissioner and [his] the commissioner's authorized agents and the  
52 tax collector of any municipality collecting a tax pursuant to section 12-  
53 651, as amended by this act, may examine the books, papers and  
54 records of any dealer for the purpose of determining whether the tax  
55 imposed by this chapter has been paid and may examine any  
56 marijuana or controlled substances upon any premises where such  
57 marijuana or controlled substances are possessed to determine if the  
58 provisions of this chapter are being obeyed.

59 (b) If, after an examination of the invoices, books and records of a  
60 dealer, or if, from any other information obtained by [him] the  
61 commissioner or [his] the commissioner's authorized agents or the tax  
62 collector for any municipality collecting a tax pursuant to section 12-  
63 651, as amended by this act, the commissioner or tax collector  
64 determines that the dealer has not purchased sufficient stamps to cover  
65 [his] the dealer's receipts and sales or other disposition of any  
66 marijuana or controlled substances, [he] the commissioner or tax  
67 collector shall thereupon assess the deficiency in tax. There shall be  
68 imposed a penalty of ten per cent of the deficiency or fifty dollars,  
69 whichever amount is greater, and interest shall accrue on the tax at the  
70 rate of one per cent per month from the due date of such tax to the date  
71 of payment. In any case where a dealer cannot produce evidence of  
72 sufficient stamp purchases to cover the receipt of any marijuana or  
73 controlled substances, it shall be presumed that such marijuana or  
74 controlled substances were sold without having the proper stamps  
75 affixed.

76 (c) If the commissioner determines that the deficiency or any part  
77 thereof is due to a fraudulent intent to evade the tax, there shall be

78 imposed a penalty of twenty-five per cent of the deficiency and interest  
79 shall accrue on the tax at the rate of one per cent per month or fraction  
80 thereof from the due date of such tax to the date of payment. Subject to  
81 the provisions of section 12-3a, the commissioner may waive all or part  
82 of the penalties provided under this chapter when it is proven to [his]  
83 the commissioner's satisfaction that the failure to pay any tax on time  
84 was due to reasonable cause and was not intentional or due to neglect.  
85 The amount of any tax, penalty or interest due to the commissioner  
86 and unpaid under the provisions of this chapter may be collected  
87 under the provisions of section 12-35. The warrant therein provided for  
88 shall be signed by the commissioner or [his] the commissioner's  
89 authorized agent. The amount of any such tax, penalty and interest  
90 shall be a lien, from the last day of the month next preceding the due  
91 date of such tax until discharged by payment, against all real estate of  
92 the taxpayer within the state, and a certificate of such lien signed by  
93 the commissioner may be filed for record in the office of the clerk of  
94 any town in which such real estate is situated, provided no such lien  
95 shall be effective as against any bona fide purchaser or qualified  
96 encumbrancer of any interest in any such property. When any tax with  
97 respect to which a lien has been recorded under the provisions of this  
98 section has been satisfied, the commissioner, upon request of any  
99 interested party, shall issue a certificate discharging such lien, which  
100 certificate shall be recorded in the same office in which the lien is  
101 recorded. Any action for the foreclosure of such lien shall be brought  
102 by the Attorney General in the name of the state in the superior court  
103 for the judicial district in which the property subject to such lien is  
104 situated, or, if such property is located in two or more judicial districts,  
105 in the superior court for any one such judicial district, and the court  
106 may limit the time for redemption or order the sale of such property or  
107 make such other or further decree as it judges equitable.

108 (d) The amount of any tax, penalty and interest due to a  
109 municipality and unpaid under the provisions of this chapter shall  
110 constitute a lien upon any real estate owned by the dealer in the  
111 municipality collecting such tax, penalty or interest. Each such lien

112 may be continued, recorded and released in the manner provided by  
 113 the general statutes for continuing, recording and releasing property  
 114 tax liens. Each such lien shall take precedence over all other liens filed  
 115 after October 1, 2015, and encumbrances, except taxes, and may be  
 116 enforced in the same manner as property tax liens.

117 [(c)] (e) Except in the case of a wilfully false or fraudulent intent to  
 118 evade the tax, no assessment of additional tax with respect to any  
 119 return shall be made after the expiration of more than three years from  
 120 the date of the filing of such return or from the original due date of  
 121 such return, whichever is later, provided, if no return has been filed as  
 122 provided in this chapter, the Commissioner of Revenue Services may  
 123 determine the amount of tax due from the best information available  
 124 and assess such tax together with statutory penalties and interest at  
 125 any time. If prior to the expiration of the period prescribed in this  
 126 section for the assessment of additional tax, a taxpayer has consented  
 127 in writing that such period may be extended, the amount of such  
 128 additional tax due may be determined at any time within such  
 129 extended period. Any such extended period may be further extended  
 130 by consent in writing before the expiration of such extended period.

131 [(d)] (f) The provisions of sections 12-553 and 12-554 shall apply to  
 132 the provisions of this chapter in the same manner and with the same  
 133 force and effect as if the language of said sections had been  
 134 incorporated in full into said chapter and had expressly referred to the  
 135 tax imposed under said chapter, except to the extent that any such  
 136 provision is inconsistent with a provision of said chapter."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	October 1, 2015	12-651
Sec. 502	October 1, 2015	12-655